

## Message Text

SECRET

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ORIGIN EB-11

INFO OCT-01 ARA-16 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 OMB-01 ( ISO ) R

DRAFTED BY EB/IFD/ODF:MCASSE/RSGELBARD:CU

APPROVED BY EB/IFD:SWEINTRAUB

ARA/BC:JKARKASHIAN

TREAS:RLARSEN

----- 017759

R 032045Z DEC 73

FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO

S E C R E T STATE 236398

E.O. 11652:GDS

TAGS: EFIN, CI

SUBJECT: 1972 DEBT RESCHEDULING

REF: (A) SANTIAGO 5660; (B) SANTIAGO 5779

1. DETAILED BREAKDOWN BY AGENCY, CATEGORY OF DEBT AND DEBT SERVICE COVERED BY 1972 RESCHEDULING HAS BEEN POUCHED. OF A TOTAL DOLS. 114 MILLION DUE BETWEEN NOVEMBER 1, 1971 AND DECEMBER 31, 1972, DOLS. 60.8 MILLION WOULD BE RESCHEDULED UNDER THE TERMS OF PARIS CLUB AGREEMENT, LEAVING THE RESIDUAL (I.E., EXCLUDED ITEMS PLUS 30 PERCENT NO RESCHEDULED) PLUS INTEREST TO BE PAID AT SIGNING, OR NEGOTIATED. EXIMBANK IS OWED MAJOR PART OF DEBT SERVICE, DOLS. 93.6 MILLION, WITH DOLS 53.6 MILLION TO BE RESCHEDULED UNDER PARIS CLUB AGREEMENT.

2. AT THIS TIME, USG IS UNABLE TO ESTIMATE THE CASH PAYMENT WHICH WILL BE REQUIRED OF THE GOC UPON SIGNING 1972 BILATERAL AGREEMENT, EXCEPT TO STATE THAT OUR POSITION WILL BE REASONABLE. THE CASH PAYMENT IS ONLY A PART OF THE OVERALL

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NEGOTIATIONS AND WILL BE INFLUENCED BY CHILE'S ABILITY TO

PAY, PROGRESS ON THE COMPENSATION ISSUE, AND OTHER FACTORS.  
PLEASE INFORM CARLOS SANSON WE WILL MEET WITH HIM ON THIS  
SUBJECT SHORTLY AFTER HIS RETURN TO WASHINGTON.

3. THE GOC IS, OF COURSE, ALREADY AWARE THAT THE COPPER  
COMPENSATION TALKS WILL AFFECT THE TIMING OF THE RESCHEDUL-  
ING AGREEMENT BUT YOU MAY REMIND THE GOC OF THIS AGAIN.  
TANGIBLE PROGRESS ON THE COMPENSATION ISSUE WILL BE NEEDED  
BEFORE ANY BILATERAL RESCHEDULING AGREEMENT CAN BE  
FINALIZED. KISSINGER

SECRET

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK LOANS, DEBT AGREEMENTS, DEBT REPAYMENTS, DEFERRED PAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973STATE236398  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** MCASSE/RSGELBARD:CU  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731248/aaaabjoo.tel  
**Line Count:** 71  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN EB  
**Original Classification:** SECRET  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** SECRET  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) SANTIAGO 5660; (B) SANTIAGO 5779  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16-Jan-2002 by shawdg>; APPROVED <07 MAR 2002 by garlanwa>  
**Review Markings:**

Declassified/Released  
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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 1972 DEBT RESCHEDULING  
**TAGS:** EFIN, CI, IMF, PARIS CLUB  
**To:** SANTIAGO  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005